This record is a partial extract of the original cable. The full text of the original cable is not available.

C O N F I D E N T I A L SECTION 01 OF 02 BANGKOK 003231

SIPDIS

SIPDIS

DEPARTMENT FOR EAP, EAP/MLS PACOM FOR FPA (HUSO) NSC FOR MORROW

E.O. 12958: DECL: 05/22/2026 TAGS: <u>PGOV</u> <u>PREL</u> <u>PTER</u> <u>TH</u> <u>NRC</u>

SUBJECT: ASSISTANT SECRETARY HILL'S MEETING WITH FORMER PM ANAND: SOUTH, POLITICS

Classified By: Ambassador Ralph L. Boyce. Reason 1.4 (b, d)

- 11. (C) Summary: On May 22, EAP Assistant Secretary Christopher Hill, EAP DAS Eric John and the Ambassador met with former PM Anand Panyarachun to discuss his work on southern Thailand and the current political situation. Anand said the National Reconciliation Commission (NRC) would release its final report by June 9. He requested a U.S. statement in support of the report. However, he strongly urged the U.S. to continue to distance itself from this Thai domestic issue in order to avoid "internationalizing" the problem. Anand was highly critical of acting Prime Minister Thaksin, characterizing him as someone who would do anything to save himself politically. Anand praised the King's limited role in the current crisis. End Summary
- 12. (C) Over dinner on May 22, Anand Panyarachun the highly respected former Prime Minister and current head of the National Reconciliation Commission (NRC) discussed the violence in southern Thailand and the current political situation with EAP Assistant Secretary Christopher Hill, EAP DAS Eric John and the Ambassador. Anand's NRC is working to address root causes of the southern violence and has recently completed its final report which is being translated into English, Arabic, and the local southern "Yawi" Malay dialect.

NRC TO RELEASE REPORT IN EARLY JUNE

- 13. (C) Anand said he would release the NRC report by June 19. The commission's report wouldn't mention specific separatist groups because there was no discernible unified separatist movement. He cautioned against looking at the situation in the South as strictly a "Muslim" or "separatist" issue. Separatism and religion are sometimes used as pretexts for violence. However, local Malays have long-standing, deeply felt, grievances which are driving much of the violence. "The problem is more about being ethnically Malay in Thailand than it is about being Muslim," he said. Anand also said we should be careful to differentiate between the Muslim population of the far South and Muslims in central and northern Thailand as they have little in common.
- 14. (C) The NRC report will seek to address stovepiping among Thai government agencies, Anand said. Legislation will be proposed to create a new unified command which will replicate the joint commands dismantled by Prime Minister Thaksin in 2002. The head of this agency would be royally appointed in order to avoid political conflicts of interest. Anand complained that Thaksin had shown absolutely no interest in the NRC's work over the past year and had little interest in the South in general because the region was politically unimportant to him. (Note: The South is the traditional stronghold of the opposition Democrat Party. End Note) As long as Thaksin remains in power the situation in the South would not improve, he added. Thaksin has completely lost the trust of Southern Malays and his image is "irreparable."

WHAT SHOULD THE U.S. DO?...SUPPORT THE NRC, BUT STAY AWAY

15. (C) Anand requested that the U.S. issue a statement in support of the NRC's work soon after the report is released. He noted that the European Union and Australia have already privately pledged to issue such a statement. However, he cautioned that the U.S. must word its statement carefully, offering general support for the NRC, while emphasizing that this was a "Thai domestic issue." An impression of U.S. involvement or direct interest in the South would be "the kiss of death" for the commission's work. "The most important thing is that the U.S. cannot be perceived to be involved in the South," he said. The perception of -- or actual -- U.S. intervention would attract international terrorists, he said.

A DESPERATE POLITICAL FIGHT FOR THAKSIN

16. (C) Turning to the domestic political scene, Anand was highly critical of acting Prime Minister Thaksin, calling him "amoral" and someone "without a shred of integrity." Thaksin

is more interested in self promotion and financial gain than serving the Thai people, Anand believes. He opined that Thaksin has been fighting so hard politically because he believes the opposition is trying to destroy him not only politically, but also personally and financially. Anand said it was highly unlikely that Thaksin would be able to return to power after the October election and that there was a strong possibility that Thaksin, and his Thai Rak Thai party, could be banned from Thai politics.

17. (C) Anand acknowledged that Thaksin remains a formidable political force who understands the psychology of rural voters. Some of Thaksin's populist programs — like the 30 baht health care scheme — were good ideas, Anand admitted. However, they were not properly funded and are now collapsing. When the political protests started last year, most people in Bangkok had been reluctant to join because the opposition was run by "disreputable" characters. However, the sale of Shin Corporation to Singapore's Temasek galvanized the Bangkok middle class against the Prime Minister.

THE KING REMAINS OBJECTIVE, BUT WATCH THE COURTS

18. (C) Anand -- who had been appointed Prime Minister by the King during the 1991-92 political crisis -- heaped praise on the monarch's restraint during the current political crisis. "The King knows Thai politics better than anyone and is also the best constitutional lawyer in the country," he said. Anand said the King is a committed democrat who remains objective and impartial and would never allow himself to be politically manipulated. Anand dismissed reported complaints by Thaksin -- that he had supposedly made privately to British PM Tony Blair and others -- that he had been ousted by "a palace coup." Anand said the Privy Council does not have as much power as is commonly believed and that the courts were not acting as proxies for the King.